

Memorial Hospital Lafayette County 'MHLC'  
Wednesday, July 24 2013  
MHLC Conference Room  
Minutes from Monthly MHLC Committee Meeting

**Present:** MHLC Chairperson Bill Moody- County Supervisors Bob Boyle, Wayne Wilson, Ron Niemann, Connie Hull, Medical Director Matt Solverson; CEO Julie Chikowski; CFO Marie Wamsley; DON Kathy Ruef; Accounts Manager Deb Krahenbuhl; Jason Walter, County IT Director.

**I. Call to Order**

Chair Moody called the meeting to order at 10:00 am.

**II. Posting**

Chair Moody asked if the meeting had been properly posted. CEO, Ms. Chikowski and CFO Ms. Wamsley reported that the meeting had been posted with notices at the Hospital, Health Department, Court House, County Website, and sent to the local Media. Chair Moody declared the meeting to be legal.

**III. Approval of Agenda - Discussion and possible action requested**

Chair Moody presented the agenda and inquired if there were any changes. Mr. Niemann made a motion, seconded by Mr. Wilson to move XI. IT Request for Hospital Server to after the minutes and approve the agenda as presented. Voice Vote, Motion passed unanimously.

**IV. Minutes – Discussion and possible action requested**

Mr. Niemann made a motion, seconded by Mr. Wilson to approve minutes from the June 19, 2013 Memorial Hospital of Lafayette County Hospital board meeting as presented. General discussions and Ms. Hull asked for a clarification of the wording in the Financial Report for a more detailed explanation regarding increases & decreases Marie & Julie explained that cost per day decreased in 2012 for Medicare purposes, we ended up owing Medicare because of the increase in revenue generated from the ER. The Cost Report – if revenues are higher and/or costs are down we are not going to get as much reimbursed from Medicare. Marie said that if anyone would like more explanation to give her a call and she would go through it in more detail. Voice Vote, motion passed unanimously.

**XI. IT Request: Hospital Server:** Marie passed out a summary with the information that Jason had prepared explaining what the needs are for the board members to review. Jason presented needs of a new server for MHLC. This is the only SUN Solaris Box in the County and service is limited, plus it is so old it is unlikely to get parts & cost to even get it looked at would be very expensive. The hospital has not purchased a new server for 5 – 7 years. For running 24/7 for that period of time it has done pretty well, but has exceeded its life. More hardware is needed for the Health Information Management Department for their new Quadra Med Upgrade for the mandatory Coding system, the new temp guard system as well as other future needs. MHLC doesn't have the hardware to run them. After investigating what we have and what the needs are Jason found that they are running out of hardware and as a result would have to borrow hardware to set up temporary servers to run these programs. Bottom line it is old and if something breaks IT might have some spare parts to fix, but maybe more cost effective to move forward and replace them before that happens.

The Server Cost Summary and Options were reviewed:

**EXHIBIT 1**

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HP Proliant	\$2,302.02	
Warranty	\$579.74	Comes with 3 year warranty
Another CPU	\$642.11	Optional
Hard Drives	\$1,842.60	Recommend 5 at \$368.52 each
Total	\$5,366.47	
HP Proliant	\$2,302.02	
Warrant	\$579.74	Comes with 3 year warranty
Another CPU	\$642.11	Optional
Hard Drives	\$1,340.85	Recommend 5 at \$268.17 each
Total	\$4,864.72	
HP Proliant	\$2,302.02	
Warranty 6 year	\$579.74	Warranty
Hard Drives	\$1,340.85	Recommend 5 at \$268.17 each
Total	\$4,222.61	
HP Proliant	\$2,302.02	
Hard Drives	\$804.51	Need a minimum of 3 at \$268.17 each
Total	\$3,106.53	Bare minimum

After questions and concerns were addressed regarding each Option, Jason's recommendation was to purchase Option 3 and will check on the Warranty Option details.

See attached quote from CDW-G:

Mr. Niemann made the motion to purchase the HP Proliant Server at \$2,302.02, Warranty at 579.74 after Jason from IT reviews that it is worth the purchase, with 5 Hard drives at the lower cost of \$268.17 each for a total of \$4,222.61 – the CPU can be added at a later date. Seconded by Mr. Boyle, Voice Vote, motion passed unanimously.

Jason was asked to come back with a recommendation of what we need for a UPS at the next meeting and will be put on the top of the agenda.

**V. Financial Report:****1. CFO Wamsley presented the financial reports with the following highlights:**

Exhibit 5 – **Income statement/Departmental Income Statement** – In discussion with the finance department, everything has been posted for June revenues and expenses, including the prepaid insurance and payroll accruals. Also, the mid-year balancing has been performed and all accounts are balanced and current. There is approximately \$78,000 in expenses that are not reflected in this report. Overall Profit YTD is closely in line with budget with only a slight difference of approximately \$51,000. When comparing the Department Profit/(Loss) from Current YTD to Budget, the Emergency Room is showing the most increase with \$560,000 more in revenue as compared to 2012. Another department that has had a significant improvement in

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revenue is for Observation patients. Observation revenue is showing an increase in revenue with approximately \$230,000 more in revenue as compared to 2012. The physicians are doing a very nice job recognizing the appropriate placement of patients in Observation. In review of the Income Statement, the Operating Room is not performing to the level that was budgeted; however, they continue to show improvement, for the month of June the Inpatient Revenue was down by \$66,000, however, the Outpatient revenue was \$38,180 higher than 2012. The Medicare and Dialysis Allowances are higher due to sequestration, which is expected to continue, which is a 2% decrease in Medicare reimbursement. Total Clinical Expenses are below budget by \$200,000, most departments are very close in line with budget. Net Income prior to the transfer of \$156,505 to the County General Fund is \$613,329. Operating Percentage Margin YTD is at 6.116%, which is slightly higher than budget. Mr. Niemann mentioned that swingbed services are being utilized more versus sending to the nursing home. Ms. Chikowski added the staff is doing a nice job of reviewing each referral and providing a more appropriate placement of patients based on their assessment of each patient.

**Wages & Fringes** – June year to date is showing that the Wages and Fringes are under budget by \$8,021, giving an annualized under budget of approximately \$16,041. As mentioned last month already you can see that Administration and maintenance are starting to even out from their payouts at the beginning of the year.

**Exhibit 4 – Balance Sheet** – Cash as of June 30, 2013 is showing \$966,967. The Accounts Receivable balance, as of June 30, 2013 is at \$2,754,277, which is a slight increase of approximately \$110,000 from May. The 2011 Medicare Cost Report has been settled with and MHLC is expecting a receivable of \$58,384 for this settlement.

**Exhibit 3 – Aged Accounts Receivable** - The net days outstanding in accounts receivable is 43.29 days, with 67.35% of accounts receivable being in the 0-30 days outstanding, and 14.75% in the 31-60 days. Self Pay balances are down from May, as well. Currently for the month of June \$371,981 is greater than 90 days old, which is down slightly from the previous month.

Mr. Boyle made a motion and seconded by Mr. Niemann to accept the Financial Report as presented – Other General Discussions - Voice Vote, Motion Passed Unanimously.

**2. Utilization Report: Report only, no discussion.**

**VI. Personnel – discussion and possible action requested.**

**1. Staff Updates:**

- Ms. Ruef reported that they had a resignation of a full time RN which needs to be refilled. Unfortunately, she was still orienting so was only here for a short time.
- Ms. Chikowski reported that there was a resignation of a Housekeeping position - 2 hours/night position open. They were looking at sharing time with the Manor housekeeping, but due to vacations, etc., there are no hours available. Total square footage/Housekeeping FTEs and with current housekeeping FTEs and infection control purposes; MHLC is significantly higher than the bigger hospitals. General discussion continued.

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- Ms. Chikowski reported that Marie gave her 4 weeks' notice - her last day is August 15<sup>th</sup>. The job was posted as of last Thursday in all the county sites and hospital & county websites. It was also posted on the WHA & RWHC websites as well. Have received 3 calls from Healthcare recruiters to help fill this position, she took their information, but at this point in time will not be utilizing them. They need to schedule the hospital board meeting before Marie's last day so they can present a draft budget. It was scheduled for August 14<sup>th</sup> at 11 am. Marie emailed Tom Jones, an independent financial consultant that MHLC has used in the past to make him aware MHLC may need his services. He was not sure if he would be available. Julie said that she would like to contract with Marie to assist in training the new hire versus using other contracted persons who would likely only do a high level. Discussion of applicants and how much notice they would give – they could have someone start the following Monday. Julie said they are to contact her directly and she has had no response as of this time – Julie will check with Linda and see where the responses came from within the county.
2. **June Overtime Report** – Ms. Chikowski handed out the Overtime Report for the month of June. RNs, CNAs, ER, OR, Lab due to increases in volumes in those depts. and call ins majority of increase in volume and activity. Increase in Swingbed, New RNs hired had orientation and also had a medical leave. 5 individuals involved in MVA - Trauma activation was initiated on July 4<sup>th</sup> which resulted in all kinds of call ins. Activity increased if they don't increase the staffing they are going to incur overtime.
  3. **Pharmacy Recruitment:** Update: Ms. Chikowski reported that they have received 7 resume's. Going to interview on 8/12 & 8/19 and the current consultant Pharmacist, Mike Peterson is going to be in on the interviews, as well. A lot of interest and a couple of interesting applicants that actually have hospital experience. Contract or employee? Approved to go either way, but have not had those conversations yet.
  4. **Therapy Department:** Ms. Chikowski reported that it is going fairly well, had first meeting with all therapists and was very productive. Julie has taken over as the Manager and they report directly to her. Looking at applications for the PTA (Physical Therapy Assistant) position but have not offered that to anyone yet. Looking at volumes in therapy and met with every therapist on a one on one basis & analyzing scheduling looking at summer versus winter. And low census and adjusting according to volume. They are taking a very significant look at RT (Respiratory Therapy) within the next week. They added time to the RT department last year and now volumes are down & will do analysis, meeting with RT and will be setting up a meeting with the RWHC Coop to take a look at what their options are as far as RT are concerned. RT includes Cardiac Rehab, Pulmonary Rehab and all the inpatient & outpatient services.
  5. **Certifications:** Update: Ms. Chikowski reported that this went to this committee in December and was approved and was denied at Human Resources Committee informing that it will be taken back to HR. Discussions about necessity and how many people are getting this pay. There are 4 people that have these certifications. Kathy Ruef explained that through the Bioterrorism work and what these types of certifications were. Motion was made by Mr.

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Niemann to move forward to include the 2 certifications and drop the other 2 certifications, seconded by Mr. Boyle. Motion carried unanimously.

- VII. Closed Session per WI Stats 19.85(1)(c) considering employment, promotion, compensation or performance evaluate data of any public employee over which the governmental body has jurisdiction or exercises responsibility for discussion and possible action on Managers going to salaried positions.** Mr. Niemann made a motion that was seconded by Mr. Wilson to go into closed session to discuss the Managers going to salaried positions. Roll call vote Chair Moody – Yes, Mr. Wilson – Yes, Mr. Boyle – Yes, Mr. Niemann – Yes, Ms. Hull – Yes, Dr. Solverson. Motion passed.
- VIII. Reconvene to Open Session on the item discussed in closed session – No roll call necessary.** Mr. Niemann made a motion, seconded by Wilson to reconvene to open session - no roll call necessary.

Mr. Niemann made a motion to move the 4 individuals to salary effective with the 1<sup>st</sup> payroll following the full county board, with the following recommendations for Salary OR/ER Manager \$76,960, Quality/HIPAA Manager \$66,560, Med/Surg/Clinical Application Specialist \$68,640, and Lab Manager \$65,520. Roll call: Mr. Wilson – Yes, Mr. Boyle – Yes, Ms. Hull – Yes, Mr. Niemann – Yes, Dr. Solverson – Yes, Chair Moody - Yes.

**IX. Medical Staff Report – Discussion and possible action**

1. Dr. Solverson reported that the Clinic will be going live August 5 or the week following. Discussions about possibly integrating data with the hospital.
2. Pain Clinic: Kathy Ruef reported that they are starting a Pain Clinic in September. Sept 9 is the first day. An Iowa Firm will be providing services for this clinic. They are very excited about being able to offer this. They are starting out with 1 day per month and if it grows, they would come 2 days per month – hopefully it will generate a lot of volume. Physically it will be up on the main floor to begin with, in the C-section room, and rooms across the hall for exam rooms. They need a C-Arm and 2 rooms to do exams and will utilize a couple of RN's and radiology. They will move back down to the outpatient clinic after the renovation. They make a lot of referrals to physical therapy, other therapies. General discussions continued.

**Management Report – discussion and possible action**

1. **New Business:**
  - a. IT Request: Moved up to after the minutes.
  - b. Pain Clinic: will be using C-section room for procedures. Need C-Arm & will also use 2 rooms and room across the hall. Should see increases in PT, Radiology. Will be initially coming once/month & will increase as need arises. Explanation of what types of procedures would be performed.
2. **Old Business:**
  - a. Generator: Ms. Chikowski reported that they have a bid from Tuescher Electric, one from Monroe and waiting on additional bid from McGettigan. They will have by next month to go over. General discussion continued.

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- b. Dept. Moves Update: IT is working on getting IT the same set up at the Nursing Home that they have here at the hospital. Goal is to have everyone moved by end of September.
  - c. OPC Renovation Project: Ms. Chikowski reported that the Auxiliary Golf Outing & Color Run is putting the proceeds toward the OPC Renovation Project. Foundation has money from the sale of a house that they would be willing to put toward the project, as well. Dr. Solverson raised concerns about people expressing fear that dollars would go back to the county. There needs to be better communication and that they are clear on what the county is taking from the hospital. Julie added, yes MHLC does give money back to the county – they are not levied money – while MHLC does give money back to the county the county also acts as a bank to MHLC, so MHLC is able to borrow interest free money. The message needs to be communicated because people have a mistrust of giving their donations. County is governing the hospital and are doing it in a fair way. Lengthy discussion of hospital/nursing home being County owned versus private/non-profit owned. Dr. Solverson commented that they need to have discussions about doing more education and communication about getting the message out to the auxiliary and foundation members and what the plan is and what the county has to do with it. Julie has been working on this and County vs. Local Non-Profit.
  - d. OB Manager: Kathy Ruef reported that Dena Dammen, OB Manager is going for registered childbirth class educator – this will be an overnight stay in Chicago at Northwest Memorial Hospital. She will be staying at her sisters so there will only be travel time and will be asking for tuition to be covered by The Foundation. She will be able to teach the Child Birth Education Classes that are offered at the hospital.
  - e. OB Recruitment: Looking into possibilities. They have no one at this time. General discussion continued.
- XII. Audit of Bills** - The bills were presented for approval.  
Mr. Niemann made a motion and seconded by Mr. Boyle to approve the Audit of Bills as presented. General Discussion - Voice Vote Motion Passed Unanimously
- XI Next Meeting** – Chair Moody set the next meeting date.

**Next Hospital Board Meeting set for  
August 14, 2013 at 11:00 am  
MHLC Conference Room**

- XII Adjournment** – Mr. Boyle made a motion and seconded by Mr. Wilson to adjourn the meeting at approximately 12:11am. Voice Vote Motion Passed Unanimously

**Focus Statement**

“Caring...Quality...Life...We take it Personally.”